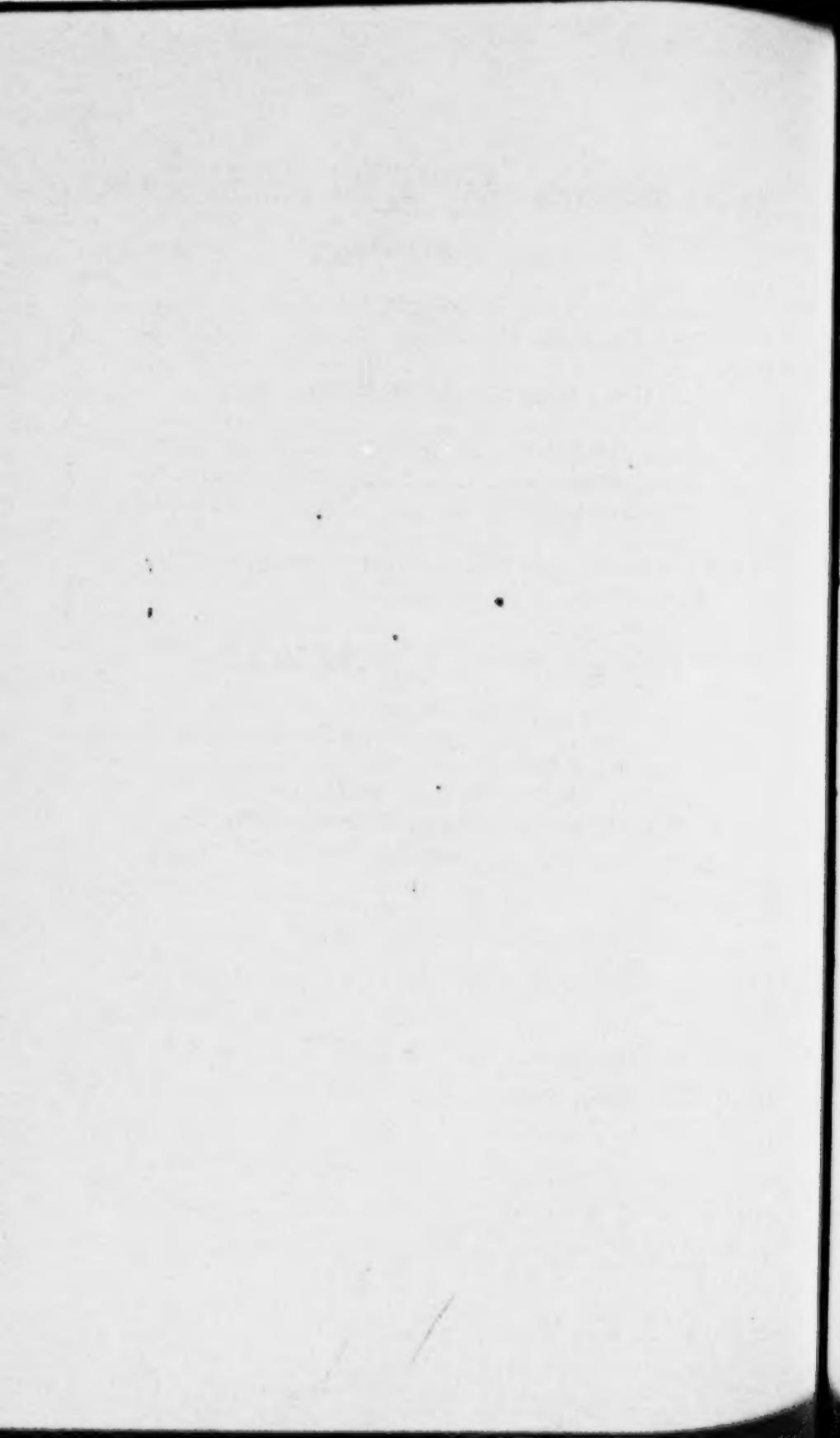


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In the Supreme Court of the United States

OCTOBER TERM, 1969

No. 540

JULIA ROSADO, ET AL., PETITIONERS

v.

GEORGE K. WYMAN, ET AL.

ON WRIT OF CERTIORARI TO THE COURT OF APPEALS FOR THE
SECOND CIRCUIT

MEMORANDUM FOR THE UNITED STATES AS AMICUS CURIAE

Because its interpretation of 42 U.S.C. (Supp. IV) 602(a)(23) has been put in issue by the petitioners in this case, the United States submits this brief statement of its views *amicus curiae* on that question. We do not discuss the jurisdictional issues in the case nor, save to show that it is an entirely distinct question, the issue whether the New York statute challenged in this case merely consolidates and streamlines that state's standards for determining need, an effect entirely consistent with 42 U.S.C. 602(a)(23), or results in an impermissible reduction in the content of that standard, as forbidden under regulations of the Department of Health, Education, and Welfare interpreting that section. 45 C.F.R. 233.20(a)(2)(ii), 34

Fed. Reg. 1392, 1394 (1969); App. A *infra*. Moreover, because the government's views on the meaning of 42 U.S.C. 602(a)(23) are set out in detail in its briefs *amicus curiae* in *Lampton v. Bonin* and *Jefferson v. Hackney*, reprinted in relevant part as an appendix to petitioners' brief in this Court, and in view of the very limited time available before submission of the case, we confine our remarks to a summary of that interpretation and responses to the contentions made, or anticipated to be made, by the parties in this case.

1. Under 42 U.S.C. 602(a)(23), in order to be eligible to receive federal matching funds a state plan for Aid to Families with Dependent Children (AFDC) must

provide that by July 1, 1969, the amounts used by the State to determine the needs of individuals will have been adjusted to reflect fully changes in living costs since such amounts were established, and any maximums that the State imposes on the amount of aid paid to families will have been proportionately adjusted.

Petitioners would read this language to require an absolute increase in state benefit levels, reflecting cost-of-living changes, as a condition of states' continued receipt of federal matching funds. That is, they would make how much money state legislatures appropriate for welfare purposes the measure of participation in the federal program; if sufficient funds were not appropriated, the state plan would be out of compliance, and the Secretary of Health, Education, and Welfare would be obliged to disapprove the plan, rendering it ineligible for any further federal matching funds. 42

U.S.C. 602(b), 604. Such a condition would be unprecedented,¹ and, in view of the continuing national and local concern over the cost of welfare, it would certainly have been the subject of intensive explanation and debate, had that been the job Congress meant Section 602(a)(23) to do. Despite petitioners' diligent efforts to disguise the fact, it is evident that no such discussion occurred. As shown at length in the reprinted district court *amicus curiae* brief, Pet. Br. A8—A10, A22—A28, Congress could hardly have paid less attention to the provision. Its attention to costs in other respects, *ibid.*, makes clear that it would

¹ As this Court has recognized in describing the Federal-State public assistance programs, *King v. Smith*, 392 U.S. 309, 318—319, "each State is free to set its own standard of need and to determine the level of benefits by the amount of funds it devotes to the program"; the power to do so, at the time, was "undisputed." *Id.* at 334. While petitioners do dispute that power now, it is clear that, since the beginning, the programs have not sought to impose from the outside financial burdens that states could or would not bear; they were enacted for "the purpose *** of enabling each State to furnish financial assistance *** as far as practicable under the conditions in such State," 42 U.S.C. 601 (emphasis supplied), and the use of the matching formula made clear that it was the states, not the federal government, which would make the judgment as to what practicability allowed. See also H. Rep. No. 615, 74th Cong., 1st Sess., 4 (1935); S. Rep. No. 628, 74th Cong., 1st Sess., 4, 6, 19, 35 (1935).

The maintenance-of-effort provisions petitioners cite, 42 U.S.C. (Supp. III) 1317, are no precedent. They were enacted together with a general increase in federal funds, and in effect provided that the states would not receive any amount of the increase they used to decrease their own participation. S. Rep. No. 404, 89th Cong., 1st Sess. pp. 20, 151—152 (1965). Section 1317 was repealed, effective a year in advance of its original expiration date, by the same law as enacted 42 U.S.C. 602(a)(23). P.L. 90-248, Sec. 221(d), 81 Stat. 900.

not have neglected the provision if it had the effect petitioners propose.

2. New York, on the other hand, has argued that the provision lost effect on July 1, 1969, the day by which all states were by its terms to have increased their standards of need, and that the state, having complied, was therefore free as of that day to reduce the standard immediately however it chose. This reading, we believe, is equally untenable. As amply appears from its legislative history, 42 U.S.C. 602(a) (23) is the remainder of a provision which, as it passed the Senate, would have required yearly cost-of-living adjustments in the standard of need and applicable maximums. S. Rep. No. 744, 90th Cong., 1st Sess., 170 (1967). The provision for yearly adjustments was eliminated in conference, evidently as the product of compromise, to require the States to "make only one adjustment before July 1, 1969, after which date the provision would not apply." H. Conf. Rep. No. 1030, 90th Cong., 1st Sess., 63 (1967). Thus, no further adjustments need be made. But this was a compromise, not a gutting of the bill. If states were free on or after July 1, 1969, to rescind the changes they had made, the provision would be meaningless. Accordingly, the Department's interpretation of the provision in this respect is that "States must maintain their adjusted standards after July 1, 1969, subject to the option of making further adjustments to reflect changes in living costs." App. A *infra*, p. 20.

3. The Department's reading of 42 U.S.C. 602(a) (23), in summary, is that it obliges states to adjust

"the amounts used * * * to determine the needs of individuals" and "any maximums that the State imposes on the amount of aid paid" to reflect fully changes in the cost of living since those amounts were determined, but that it does not oblige states to increase the amounts actually paid, in that states remain free to adopt a policy of paying a lower percentage of determined need than they previously had done.²

The public assistance titles of the Social Security Act, and the regulations under those titles, require states to determine the needs of individuals seeking assistance on a statewide, objective, and equitable basis. 45 C.F.R. 233.20(a). While the federal agency, in urging states to use simplified methods of determining need, has made suggestions as to the items which should be considered in determining need, the states are free to decide, in a manner consistent with the regulations, what the needs of individuals eligible for assistance under the Act are. Importantly for this case, there is no requirement that the states pay eligible individuals the full amount of their needs thus determined; the amount of the assistance payment may be less, if that is determined by methods applied uniformly statewide. *Ibid.* The methods commonly used to set reduced payments take two forms: ratable reduc-

² 42 U.S.C. 602(a)(23) does not require adjustment of *payments*, merely adjustment of maximums on payments. Neither do the words require adjustment of, or otherwise deal with, ratable reductions. In a State using ratable reductions, a cost-of-living increase would be automatically passed on, absent any adjustment.

tion, in which a state determines that it will pay only a fixed percentage of actual need as determined by the state's need standard; and limitation to maximums, in which payments to individuals or families are made according to need but subject to a stated dollar maximum.³

Maximums, whether so many dollars per individual or a total number of dollars per family, have an arbitrary aspect lacking from ratable reductions, since their application means that one family or individual will receive a smaller proportion of the amounts he is determined to need under the state's test than another family or individual. Where percentage reductions are used, the payment of every family is reduced proportionately (although this, in turn, could work hardships unequally on small families, less able to spread expenses, if the reduction were substantial). While constitutional issues concerning maximums are not present here, compare *Dandridge v. Williams*, No. 131, this Term, this aspect explains why Congress might wish to distinguish between maximums and ratable reductions as a means of reducing a state's

³Contrary to petitioners' contentions, the term "maximum" has consistently been used in the social welfare context to denote only the fixed upper limit imposed by a dollar maximum, and not the amounts calculated by use of a ratable reduction applicable in each case. Thus, the HEW Public Assistance Report No. 50, on "Characteristics of State Public Assistance Plans under the Social Security Act" lists for each state the "Maximum money payment to recipients," setting forth the applicable dollar maximums and omitting any mention of ratable reductions.

financial obligation and, at least inferentially, to disfavor the former. A decision not to allocate from a state's resources to its poor all they need can never be a comfortable one; making that decision in terms of a percentage formula, however, not only is probably more fair as among the various recipients of assistance, but also makes quite plain the character of the decision being made—and so quite possibly increases political pressures against it, and a willingness to forego other possible uses of state resources in order to avoid or reduce to a minimum the cuts made.

As already noted, 42 U.S.C. 602(a)(23) obliges states to adjust for cost-of-living changes the amounts used to determine need and the *maximums* if any imposed on the amount of aid paid; strikingly, it does not oblige the states to adjust the amounts actually paid, where these are less than the dollar maximums some states superimpose on payments. But the provision as initially proposed did embody such an obligation, Pet. Br. A-22 *ff.*; the omission can hardly be insignificant. Drawing upon that omission, and the general absence of the vigorous debate that could have been expected if the provision had been thought to require states to increase the amounts they pay, the Department interpreted the section to mean only what it says: states must adjust upwards the amounts used to determine need, and any fixed dollar maximums on payment; they remain free, however, to determine the extent of their financial commitment by adjusting

the percentage of actual need which they will pay.*
45 C.F.R. 233.20(a)(2)(ii).

So interpreted, the provision is far from meaningless. As applied to dollar maximums, it alleviates the possibly arbitrary aspects of a fixed ceiling on payments irrespective of need. As applied to the determination of need, it assures that administrators, legislators and the public generally will be aware of what the poor actually require for their subsistence—discouraging the provision of less—and thus, at least, facilitates open-eyed allocation of the resources involved. Recalculation of need may serve to render eligible for benefits families which may appear under unadjusted standards marginally* to have attained self-sufficiency, but which in fact are unable to subsist at the present cost of living. Families thus eligible would receive at least a small money payment, and

* Of the fifty-four jurisdictions subject to the Act, only seventeen have both adjusted their need standards and raised payments proportionately (by paying 100 percent of need, by maintaining or reducing a percentage reduction, or by proportionately adjusting their dollar maximums). These are: Arkansas, Colorado, Georgia, Guam, Hawaii, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, Pennsylvania, Puerto Rico, South Dakota, Tennessee, Texas, Utah, and Washington. On the other hand, nineteen states either imposed a ratable reduction for the first time, or reduced below prior levels the proportion of need they pay: Alabama (formerly paid 50 percent of need; now pays 35 percent); Arizona (100%-69%); Iowa (95%-81%); Kansas (100%-89%); Kentucky (100%-82%); Louisiana (100%-51%); Maine (100%-60%); Mississippi (73%-70%); Montana (100%-88.6%); New Mexico (95%-90%); North Dakota (100%-93%); Ohio (77%-63.5%); Oklahoma (100%-85%); Oregon (100%-80%); South Carolina (100%-82%); Vermont (100%-80%); Virginia (100%-90%); West Virginia (63%-52%); and Wyoming (100%-72%).

would also be eligible for medical assistance and social and rehabilitative services. The likely result is, as has in fact been the case, that states will increase their public assistance payments.⁵ But such an increase is not made mandatory if the state is unable or unwilling to provide it; that is the crucial difference between the Department's interpretation and the interpretation petitioners propose. The Department's interpretation is, we believe, the more consistent with the words of the statute, the limited legislative history, and the respect Congress has consistently shown for the states' prerogative to determine the extent of the resources they can afford to commit to public assistance costs.

4. New York has not attempted a ratable reduction from actual need of the amounts it pays. It brought

⁵ As shown by the charts in Appendix B, between July 1968 and July 1969, the total number of AFDC recipients rose in every jurisdiction except West Virginia, and the total AFDC expenditures rose in every state but Wyoming. The average payment per recipient rose in 45 jurisdictions, remained the same in two, and declined in seven, with the most substantial decline occurring in Louisiana (\$23.70 to \$21.70), New York (\$71 to \$63.70) and Texas (\$20.45 to \$18.75). Nationally, the figures are:

	July 1967	July 1968	July 1969
Number of AFDC recipients.....	4,978,000	5,633,000	6,613,000
Total payments for subsistence	\$185,476,000	\$237,502,000	\$295,003,000
Average payment per recipient	\$37.25	\$42.15	\$44.30

The federal share varies by jurisdiction, ranging from 50 percent (in those which account for most of the expenditures) to 83 percent.

its need standard up to date in 1968, in compliance with 42 U.S.C. 602(a)(23), and pays the full amount of need as determined under its standard. Thus, whether 42 U.S.C. 602(a)(23) permits ratable reductions is not actually at issue in this case. Rather, the question is whether the alterations in the manner in which New York determines need under its amended statute are impermissible under the federal act.

This question arises because the Department has interpreted 42 U.S.C. 602(a)(23) to prohibit a state from altering its need standard by "a reduction in the content of the standard," 45 C.F.R. 233.20(a)(2)(ii), in such a way that the congressional purpose to secure a cost-of-living increase in the *need* standard is frustrated, and the function of making allocation decisions more rational and visible is no longer served. Petitioners allege that the New York changes have this forbidden effect.*

An important consideration in determining this issue is the great need in many states to consolidate or streamline the standards for determining need. The complexity, both of present need standards and of present techniques for determining individual entitlements to assistance, has made welfare administra-

* Although the federal agency sought additional information from New York bearing on the question whether the changes impermissibly reduce the content of the need standard, it is not now raising any question of compliance. In a letter of November 10, 1969, the Regional Commissioner of the Department's Social and Rehabilitation Service raised questions with the state regarding the disparity in payments between New York City and the rest of the state, but raised no questions regarding compliance with 42 U.S.C. 602(a)(23). (App. C. *infra*, pp. 28.)

tion unnecessarily burdensome, both to the states and to the persons it is intended to aid. Such streamlining is closely related to Departmental regulations regarding simplified methods for determining eligibility and the amount of assistance. 45 CFR 205.20, 34 Fed. Reg. 1144 (1969), 34 Fed. Reg. 17522 (1969). Simplification necessarily means less individualization. Conversion of a range of payments for a family of a given size to a single "average" payment will result in a smaller payment to some families. The Department does not view such administrative restructuring as contrary to 42 U.S.C. 602(a)(23) if it does not involve an overall reduction in the content of the need standard.

Moreover, special problems are presented with respect to the streamlining of so-called "special needs." Although petitioners allege that New York has treated as "special" needs that are in fact "basic" to most or all families on public assistance,⁷ usually the needs characterized as "special" are indeed extraordinary—the cost of an attendant, of a particular diet, and so forth. Streamlining the treatment of such needs is a matter of substantial complexity, which cannot be adequately resolved either by averaging over all the welfare recipients in the state the costs of such needs in the past or by holding that once a state has recognized special needs it is bound to assure that the

⁷ New York formerly recognized an atypically large number of special need items; on an experimental basis, New York City arranged to pay each AFDC recipient in the city \$25 per quarter, on a cyclical basis, in lieu of certain of these special need items.

persons receiving such payments will continue to do so. Taking these considerations into account, the Department has recently explained its "reduction of content" regulation, *supra*, as not applying to reductions in the recognition of special needs:

The updated revised or consolidated standard should be compatible in content and cost with the previous standards. As a minimum, the monetary amount of the consolidated standard must equal the total updated value of the former basic requirements. [App. A *infra*, pp. 16-17.] *

The national rule, applicable to all states, thus requires maintenance of the value of the basic requirements but, in view of the conceptual and practical problems of simplifying the treatment of special needs, it recommends, but does not require, maintenance of the value of the former total standards, inclusive of special needs.

Whether continued recognition must be given to such special need items, and, if so, in what amount, are indeed at issue in this case. We would only emphasize that the use of ratable reductions is not at issue. Nor should a decision on the content of the need standard go to the proposition that no family may suffer a reduction in payment as a result of consolidation of the standard, nor, in specific relation to spe-

* The amount formerly recognized for a family of four in New York City for basic requirements, exclusive of shelter and fuel for heating, ranged from \$152 to \$221 per month, depending on the age of the oldest child. A family with the oldest child of an age equal to the average age of the oldest child in all four-member AFDC families received \$191 per month. The new schedule provides \$208 per month for a family of four.

cial need items, should New York's atypical situation be made to govern the rule applicable to all States.

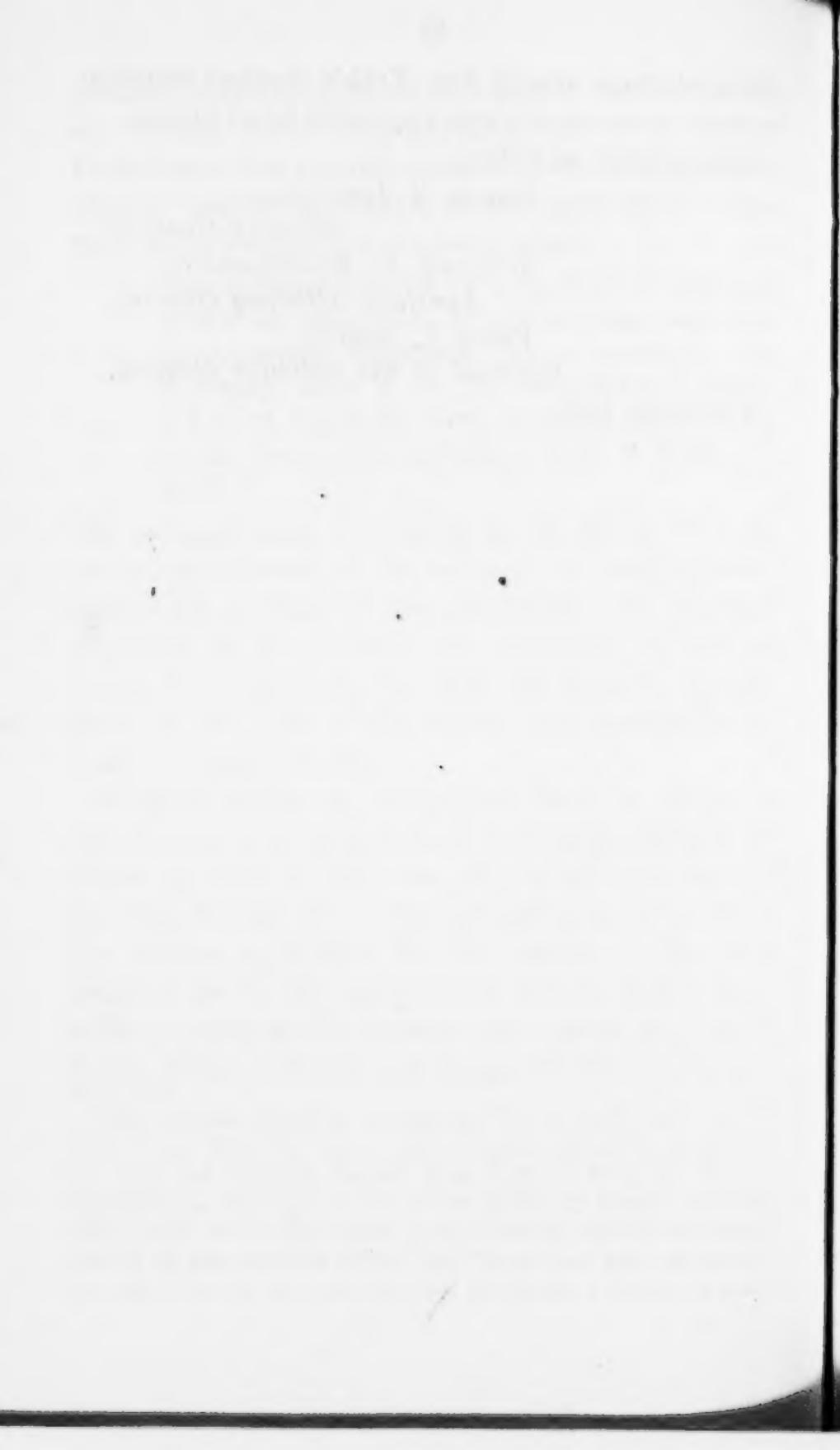
Respectfully submitted.

ERWIN N. GRISWOLD,
Solicitor General.

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Assistant to the Solicitor General.

NOVEMBER 1969.



APPENDIX A

DEPARTMENT OF HEALTH, EDUCATION,
AND WELFARE,
SOCIAL AND REHABILITATION SERVICE,
Washington, D.C., October 17, 1969.

SRS-APA-PS.

To: State agencies administering approved public assistance plans.

Subject: Updating State's Standard of Assistance in AFDC—Interpretation of Social Security Act Section 402(a)(23) and 45 CFR 233.20(a)(2) (ii)—See SRS Program Regulation 20-7, dated 1/29/69.

A number of questions have been raised by States regarding interpretation of regulations on updating AFDC standards. (See SRS Program Regulation 20-7, dated 1/29/69). The following has been prepared to help State agencies in meeting these important requirements.

Social Security Act Section 402(a)(23)

Provide that by July 1, 1969, the amounts used by the State to determine the needs of individuals will have been adjusted to reflect fully changes in living costs since such amounts were established, and any maximums that the State imposes on the amount of aid paid to families will have been proportionately adjusted.

45 CFR § 233.20(a)(2)(ii)

In the AFDC plan, provide that by July 1, 1969, the State's standard of assistance for the AFDC program will have been adjusted to re-

flect fully changes in living costs since such standards were established, and any maximums that the State imposes on the amount of aid paid to families will have been proportionately adjusted. In such adjustment a consolidation of the standard (i.e., combining of items) may not result in a reduction in the content of the standard. In the event the State is not able to meet need in full under the adjusted standard, the State may make ratable reductions in accordance with paragraph (a)(3)(viii) of this section. Nevertheless, if a State maintains a system of dollar maximums, these maximums must be proportionately adjusted in relation to the updated standards.

Interpretation

1. July 1, 1969:

"By July 1, 1969," means the required updating will have been completed and all AFDC assistance payments will have been recomputed in accordance with revised amounts, and, if applicable, adjusted maximums and ratable reductions.

2. Amounts:

(a) "Amounts" means the money amounts or standards of assistance as defined and determined by the State for all goods and services (basic and special circumstance requirements) included within the State's regulations or other policy issuance and which are used as the criteria to establish need and the amount of the assistance payment.

(b) The standards of assistance may be one all inclusive amount for the items included in the standard; it may be an amount for each group of items, or it may be individual amounts for each item.

(c) Some States have consolidated their standard of assistance (i.e., have combined items) to simplify the determination of need. The updated revised or

consolidated standard should be compatible in content and cost with the previous standards. As a minimum, the monetary amount of the consolidated standard must equal the total updated value of the former basic requirements.

3. "Reflect fully changes in living costs since such amounts were established" means that the State agency must identify when the amounts to determine need were last priced. A cost study of the AFDC amounts should have been completed between January 2, 1968, and July 1, 1969, and the changes in living costs from the date the amounts were last priced should have been determined.

4. Acceptable cost study methods:

Method A.—In those situations where the State plans provide for specified periodic cost reviews of the AFDC assistance standard of living on a continuing basis, such programmed cost studies conducted during above time period are satisfactory.

Method B.—

(a) Using the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index, for the appropriate region determine the current index price for the applicable items of living;

(b) calculate percentage change for the items in the index from the date the standard was last established to the present date;

(c) apply the percentage change to each of the items or groups of items and determine dollar change;

(d) total the dollar cost of standard as reviewed;

(e) compare with existing standard to determine change.

Method C.—The State may conduct a statewide cost study of the items of living included in the amounts to determine need. Results of such studies are used as

basis for determining amount of dollar costs for the items in AFDC assistance standards.

Method D.—State may contract for another agency to conduct statewide cost studies of items of living included in the AFDC standard of living and determine changes in cost of items in AFDC assistance standard.

Method E.—States may choose to revise content of existing standard of living and conduct cost studies of revised standards. U.S. Department of Labor, Bureau of Labor Statistics Bulletin No. 1570-5, may be used as a reference to re-establish a low-income level of living based on 1967 costs. A review of the content of items of living in the U.S. Department of Labor budget for the lower living standard for a 4-person urban family is suggested; the State selects the items of living consonant with conditions practicable in such State for a public assistance standard of living. Such standard must then be updated from Spring 1967 (date of U.S. Department of Labor, Bureau of Labor Statistics, 3 Levels of Living Standards) costs to current costs. Cost estimates for the 39 urban areas, described in the aforementioned publication, are available by writing to the appropriate Regional Offices of the Bureau of Labor Statistics. Agency may wish to use U.S. Department of Labor, Bureau of Labor Statistics Bulletin No. 1570-2 Revised Equivalence Scale for estimating costs of families by size, age, etc.

Method F.—For States who wished to revise existing public assistance standards but for whom the Bureau of Labor Statistics Urban Family of Four is not representative of the State's rural population as defined by the Bureau of the Census, a study of the U.S. Department of Labor and U.S. Department of Agriculture Consumption Study Data of 1960 and 1961 are suggested reference.

After selecting the recognizable items from such compiled data, costs for such items would need to be updated to current amounts to be used to determine need in AFDC.

Method G.—The above suggested methods of updating standards does not preclude the acceptability of a different method which is identifiable, equitable, and objective.

5. Will Have Been Adjusted:

(a) "Will have been adjusted" means the amounts used by the State agency to determine need will have been corrected to reflect the changes in costs of living, since the amounts were last established. This adjustment in assistance standards must be made, even though other provisions regarding payment may offset it.

(b) Adjusted amounts and costs study must bear a reasonable time relationship between cost study and the application into agency regulations. A cost study in early 1968, which was reflected in the agency's standard effective July 1, 1968, meets the requirements of the Act. However, if the agency did not adjust its standards until July 1, 1969, the cost study in early 1968 would not be acceptable; a more current study is needed.

(c) In some instances, State agencies, during the period since standard was last established and July 1, 1969, have increased the money amounts (standards of living) from time to time, as a result of moneys becoming available from State or Federal legislation. These additional moneys, added to the standard of living, at irregular intervals should be calculated as an offset against the total change in living costs between date standard was last established and the date of updating.

6. "Any Maximums That the State Imposes on the Amount of Aid Paid to Families Will Have Been Proportionately Adjusted."

This applies to dollar maximums. State maximums established for items of living (such as shelter costs) or overall for grants or payments, must be corrected to show the change in living costs since such maximums were established to the appropriate period between January 2, 1968, and July 1, 1969, as selected by the State agency.

7. The State agency may make a ratable reduction. It is recommended that the State agency implement only one ratable reduction.

8. All AFDC assistance payments must be recomputed in accordance with the adjusted standards, and adjusted maximum and/or ratable reductions, when applicable. Implemented ratable reduction and adjusted maximums must be uniform statewide and objective.

9. States must maintain their adjusted standards after July 1, 1969, subject to the option of making further adjustments to reflect changes in living costs.

Sincerely,

JOHN J. HURLEY,
Acting Commissioner.

APPENDIX B

Aid to families with dependent children: Recipients and payments to recipients, by State, July 1967¹

[Excludes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients			Payments to recipients			Percentage change from—			
	Total ²		Children	Total amount	Family	Recipient	June 1967 in—	June 1967 in—	July 1966 in—	
	Number of families	Total ²	Children	Average per—	Number of recipients	Amount	Number of recipients	Amount	Number of recipients	
Total ¹	1,212,000	4,978,000	3,745,000	\$185,476,000	\$113,05	\$37.25	(6)	+0.5	+11.7	+21.3
Ala.	17,200	71,300	56,900	907,000	52.85	12.75	—.1	+.1	+.8	+1.1
Alaska	5,000	3,900	3,900	175,000	180.28	34.85	—.8	—.6	+4.0	+3.1
Ariz.	10,200	43,000	32,700	1,226,000	120.55	28.70	—.6	(6)	+2.0	+2.9
Ark.	8,800	36,900	27,800	715,000	80.95	19.50	+.1	+.3	+15.9	+37.9
Calif. ³	190,000	736,000	556,000	33,375,000	175.65	44.00	—1.9	—1.9	+17.1	+19.1
Colo. ³	13,700	63,400	40,800	1,995,000	146.30	37.45	—1.0	—.8	+7.8	+9.7
Conn. ³	14,300	56,900	42,700	2,786,000	193.95	48.55	+1.4	+2.8	+11.9	+19.6
Del. ³	3,400	14,500	11,000	459,000	134.95	31.75	+6.6	—.1	+20.3	+26.0
D.C.	6,200	24,300	19,500	914,000	176.05	37.65	+.3	(6)	+8.9	+22.2
Fla.	36,200	143,000	114,000	2,177,000	60.20	16.26	+.6	+8.4	+14.2	+13.7
Ga.	24,200	96,200	74,200	2,449,000	101.00	25.45	+.6	+8.4	+15.1	+24.6
Guam ⁴	160	850	720	20,100	124.10	22.75	—	—	—	—
Hawaii ⁵	4,200	18,500	13,700	838,000	197.30	45.25	+2.4	+6.9	+21.7	+27.3
Idaho	3,000	11,300	8,300	528,000	178.70	40.70	—.1	+8	+16.7	+37.7
Ill. ³	54,800	257,000	201,000	10,767,000	196.40	41.95	(6)	+1.2	+3.6	+7.0
Ind.	11,800	49,200	37,300	1,510,000	128.10	30.70	—.1	+7.8	+4.9	+17.5
Iowa	11,400	44,800	32,800	1,882,000	168.75	43.15	—.6	—.7	+1.1	+15.0
Kans. ³	8,900	37,100	28,900	1,601,000	179.40	43.15	+2.2	+2.1	+9.9	+32.1
Ky.	25,000	98,000	71,600	2,784,000	110.60	28.00	+1.9	+2.2	+19.8	+20.6
La.	27,000	116,000	80,600	2,777,000	106.00	23.90	+5	+1.0	+8.5	+8.9

See footnotes at end of table.

APPENDIX B—Continued

Aid to families with dependent children: Recipients and payments to recipients, by State, July 1967.—Continued

State	Number of families	Number of recipients Total : Children	Payments to recipients			June 1967 in—			Percentage change from—		
			Average per—			June 1967 in—			July 1966 in—		
			Total amount	Family	Recipient	Number of recipients	Amount	Number of recipients	Total amount	Family	Recipient
Maine.....	5,000	20,700	15,200	617,000	155,86	20,90	-1,0	-9	+8,6	+8,9	+8,9
Md. ²	24,900	101,700	77,700	3,877,000	155,87	35,50	+1,0	+3,1	+11,8	+19,6	+19,6
Mass. ³	33,200	129,000	93,200	6,647,000	200,05	13,45	+1,9	+3,2	+18,9	+42,1	+42,1
Mich. ³	40,700	168,000	127,000	7,159,000	176,05	42,65	+1,1	+1,1	+8,2	+33,7	+33,7
Minn.....	15,400	56,400	43,700	2,795,000	181,25	49,50	+1,1	+2,1	+5,9	+11,9	+11,9
Miss.....	22,400	93,600	75,600	779,000	34,75	8,30	+1,4	-10,7	+9,7	+16,6	+16,6
Mo.....	26,200	100,000	84,300	2,721,000	163,70	24,90	(0)	-1	+1,0	+1,1	+1,1
Mont.....	2,400	9,300	7,200	353,000	147,50	37,90	-3	+1,6	+10,5	+14,0	+14,0
Nebr. ³	6,200	21,100	16,200	765,000	146,65	36,35	+1,7	+25,0	+13,3	+43,9	+43,9
Nev.....	1,700	6,900	5,400	217,000	124,65	31,55	-1,2	-1,3	+24,7	+28,9	+28,9
N.H.....	1,400	5,600	4,200	221,000	163,35 ^a	38,75	-1,1	+1,7	+12,1	+12,8	+12,8
N.J.....	33,600	134,000	102,600	7,519,000	224,65	66,05	+1,0	+1,8	+16,6	+31,4	+31,4
N. Mex.....	8,800	36,400	27,700	1,116,000	127,00	30,65	+1,4	+1,5	+14,6	+19,1	+19,1
N.Y. ³	176,000	710,000	521,000	38,542,000	218,85	64,30	+1,0	-1,5	+24,1	+32,6	+32,6
N.C.....	25,500	105,000	79,300	2,616,000	102,55	24,90	-3,5	-2,8	-8	+4,4	+4,4
N. Dak.....	2,200	9,100	6,900	417,000	180,45	45,95	-1,3	+1,0	+12,4	+25,2	+25,2
Ohio. ³	48,100	200,000	161,000	0,717,000	139,65	33,35	+1,7	+1,0	+8,1	+9,4	+9,4
Oklahoma ³	22,100	86,600	65,200	2,985,000	135,30	34,45	-1,6	-1,6	+10,9	+12,4	+12,4
Oreg. ³	9,500	36,000	26,900	1,455,000	152,85	40,40	-7,2	-4,3	+15,7	+28,3	+28,3
Pa. ³	62,000	266,000	197,600	9,889,000	190,45	37,15	-1,1	+2,1	+0,6	+27,3	+27,3
P. R.....	38,500	180,000	137,000	766,000	19,85	4,35	+2,3	-5	-2,5	+2,0	+2,0
R.I. ³	7,200	28,200	20,700	1,182,000	163,50	42,60	+2,4	+3,3	+11,6	+20,3	+20,3
S.C.....	6,300	24,600	19,900	425,000	66,95	17,25	-1,7	-1,2	-5,5	+1,7	+1,7
S. Dak.....	3,600	13,600	10,300	570,000	160,70	42,00	+3,6	+10,7	+3,6	+36,8	+36,8

Tenn.....	22,700	91,000	70,000	2,435,000	107.40	26.75	+.5	+10.5
Tex.....	22,500	105,000	70,700	2,289,000	95.15	21.30	-.7	-7.8
Utah ³	6,900	23,500	17,000	908,000	153.30	38.70	+.6	+8.0
Vt.....	1,900	7,200	5,200	259,000	155.80	41.80	-.6	+3.4
V.I.....	380	1,700	1,400	41,300	107.90	24.60	+.1	+42.9
Va.....	12,800	54,000	41,600	1,577,000	122.85	20.20	+.0	+22.9
Wash. I.....	15,400	88,200	41,900	2,753,000	178.40	47.30	-.2	+7.7
W. Va. ³	20,800	96,700	68,200	2,432,000	117.00	25.15	-.6	+14.2
Wis. ³	13,600	54,500	41,500	2,377,000	175.15	43.65	+.5	+6.3
Wyo.....	1,100	4,300	3,300	161,000	140.70	37.65	-.2	+31.8
							-.1	-3.0
							+.7	+24.9
							-.1	+3.7
							+.1	+6.1

¹ All data subject to revision.² Includes as recipients the children and 1 or both parents or 1 caretaker relative other than a parent in families in which the requirements of such adults were considered in determining the amount of assistance.³ Includes data on unemployed-parent segment; see table 7.^a Increases of less than 0.05 percent.^b Decrease of less than 0.05 percent.^c Represents data for June; July data not reported.

Aid to families with dependent children: Recipients and payments to recipients, by State, July 1968¹

[Excludes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients			Payments to recipients			Percentage change from—			
	Number of families		Total ²	Average per—			June 1968 in—		July 1967 in—	
	Total	Children	Total amount	Family	Recipient	Number of recipients	Amount	Number of recipients	Amount	
Total ³	1,307,000	5,633,000	4,206,000	\$207,302,000	\$171.00	\$42.16	-0.4	+1.2	+13.2	+28.1
Ala.	22,000	92,800	74,000	1,407,000	63.95	15.16	+2.6	+2.8	+30.3	+66.1
Alaska	1,600	5,700	4,400	220,000	126.15	38.35	-7	-2	+14.1	+25.4
Ariz.	10,200	42,800	32,600	1,243,000	121.80	28.80	-1.6	-1.7	-4	-1
Ark.	9,200	37,900	28,700	722,000	78.10	19.05	-2.8	-3.9	+3.5	+1.0
Calif. ⁴	210,000	814,000	562,000	37,930,000	660.65	46.00	-5	+1.8	+7.2	+13.7
Colo. ⁴	14,300	54,000	41,200	2,159,000	150.75	39.95	-8	-2	+1.3	+8.0
Conn. ³	17,300	66,600	49,700	3,775,000	218.60	66.65	+1.5	+10.6	+17.0	+36.6
Del. ⁴	4,200	17,200	13,000	654,000	131.26	32.25	+3	+2	+19.0	+20.7
D.C.	5,900	26,800	21,400	1,049,000	178.90	39.15	+1.2	+2.0	+10.4	+14.8
Fla.	38,600	182,000	121,000	3,198,000	82.80	21.00	+1.8	+41.2	+6.6	+46.7
Ga.	29,800	117,000	90,100	2,914,000	97.80 ⁵	24.85	+1.9	+1.5	+22.0	+19.0
Guam ⁶	210	1,100	900	40,200	188.95	35.00
Hawaii ³	4,800	19,700	14,500	678,000	263.10	49.75	-2	+11.8	+6.2	+16.7
Idaho	3,200	12,100	8,700	565,000	177.10	46.75	-5	-5	+7.0	+7.1
Ill. ⁴	65,100	265,000	230,000	12,941,000	108.75	43.85	(6)	-2	+15.0	+20.2
Ind.	12,800	53,300	40,200	1,719,000	134.10	32.25	+2	-9	+8.3	+13.8
Iowa	13,600	52,600	38,400	2,500,000	190.50	49.20	+1.0	+9	+17.5	+34.1
Kans. ³	10,000	41,300	32,100	1,866,000	186.50	45.20	+6	+3.4	+11.2	+16.6
Ky.	28,300	110,000	80,000	3,147,000	111.30	29.50	+1.1	+1.2	+11.9	+13.9
La.	32,600	143,000	111,000	3,300,000	103.85	23.70	+1.7	+1.8	+23.1	+22.4
Maine	6,000	22,300	16,300	606,000	110.50	29.80	+1	+4	+7.9	+7.9
Md. ³	28,000	112,000	86,300	4,409,000	167.00	39.45	+3	+1.6	+10.8	+13.5
Mass. ³	41,000	160,000	112,000	8,710,000	212.55	57.95	+4	+4	+20.9	+31.9

Mich. ²	46,300	197,000	148,000	8,887,000	184,10	+45,10	+24,1
Minn.	17,000	61,700	47,700	3,368,000	198,25	+94,55	+11,0
Miss.	25,300	103,000	84,700	874,000	34,55	+8,50	+9,3
Mo.	25,000	116,000	38,900	3,115,000	111,40	-26,95	+20,5
Mont.	2,000	9,800	7,500	365,000	138,90	-37,10	+12,2
Neb. ³	6,100	24,300	18,700	869,000	147,85	-37,00	+14,5
Nev.	2,300	8,700	6,700	267,000	115,90	-30,50	+14,5
N.H.	1,500	6,300	4,700	271,000	176,85	-43,30	+12,8
N.J.	40,300	100,000	121,000	9,302,000	231,45	+58,30	+22,9
N. Mex.	10,300	41,600	31,400	1,201,000	125,30	+31,05	+10,0
N.Y. ⁴	224,000	874,000	640,000	62,081,000	277,20	-71,00	+23,7
N.C.	25,000	104,000	78,500	2,831,000	110,70	-27,30	+15,6
N. Dak.	2,500	9,800	7,500	488,000	188,10	-47,95	+11,0
Ohio ⁵	56,800	231,000	172,000	8,066,000	152,75	-37,00	+10,0
Okla. ⁶	22,900	98,400	66,500	3,052,000	133,35	-34,60	+14,2
Oreg. ⁷	10,100	37,900	27,100	1,887,000	151,90	-40,55	+11,2
Pa. ⁸	73,700	307,000	225,000	12,132,000	164,70	-30,45	+11,3
P.R.	36,000	174,000	132,000	1,248,000	35,05	+7,15	+2,2
R.I. ⁹	8,000	30,800	22,600	1,432,000	181,86	-46,15	+1,0
S.C.	7,900	30,800	24,700	567,000	72,05	-18,45	+1,0
S. Dak.	3,700	13,700	10,300	908,000	164,70	-44,25	+1,0
Tenn.	25,400	100,000	77,300	2,620,000	108,25	-26,10	+1,0
Tor.	30,200	140,000	108,000	2,864,000	96,00	-20,46	+1,0
Utah ¹⁰	6,700	26,300	18,900	1,020,000	151,85	-38,80	+1,0
Vt. ¹¹	2,500	9,400	6,800	442,000	176,20	-47,30	+12,3
V.I.	400	1,600	1,300	47,200	117,75	-20,85	+12,3
Va.	14,700	60,900	46,600	1,888,000	128,60	-31,15	+14,3
Wash. ¹²	18,100	65,900	47,400	3,203,000	177,00	+48,60	+19,7
W. Va. ¹³	19,300	86,300	60,600	2,213,000	114,70	-25,65	+16,3
Wis. ¹⁴	18,100	70,200	52,900	2,634,000	201,00	-51,80	-10,8
Wyo.	1,200	4,400	3,400	170,000	142,00	-38,25	-9,0

¹ All data subject to revision.

² Includes as recipients the children and 1 or both parents or 1 caretaker relative other than a parent in families in which the requirements of such adults were considered in determining the amount of assistance.

³ Includes data on unemployed-parent segment; see table 7.

⁴ Data for May; June and July data not reported.

⁵ Increase of less than 0.05 percent.

⁶ Decrease of less than 0.05 percent.

Aid to families with dependent children: Recipients of money payments and amount of payments, by State, July 1969

[Excludes vendor payments for institutional services in intermediate care facilities and for medical care and cases involving only such payments]

26

State	Number of recipients			Payments to recipients			Percentage change from—		
	Total		Children	Total amount	Average per—	Family	Number of recipients	Amount	July 1968 in—
	Number of families	Total	Children	\$174,25	\$44,30	+0.8	+1.9	+17.3	+28.4
Total	1,691,000	6,613,000	4,917,000	\$293,000,000	\$174,25	\$44,30	+0.8	+1.9	+17.3
Ala.	26,100	109,000	85,100	1,666,000	63.35	15.15	+3.6	+5	+17.8
Alaska	2,200	7,000	6,400	387,000	156.95	48.05	+7	+1.1	+23.2
Ariz.	10,100	45,600	34,700	1,862,000	145.60	34.70	+5	+22.0	+46.5
Ark.	19,100	40,200	30,500	794,000	78.50	19.75	-1.4	-4	+10.1
Calif. ³	270,000	1,006,000	721,000	50,421,000	186.60	50.20	+1.1	+7	+28.5
Colo. ⁴	15,700	67,700	43,700	2,348,000	148.80	40.60	+8	+3.0	+8.5
Conn.	20,000	78,100	58,200	4,025,000	256.65	30.25	-4	-1.7	+17.2
Del. ⁵	4,700	18,400	13,800	605,000	128.05	30.00	+1.3	+1.4	+6.7
D.C.	8,000	34,000	26,500	1,443,000	180.35	42.40	+2.2	+4.0	+27.1
Fla.	46,300	181,000	143,000	4,405,000	95.20	24.40	+1.4	+15.6	+37.9
Ga.	44,700	171,000	130,000	4,756,000	106.40	27.85	-6.1	+20.4	+48.4
Illin.	320	1,500	1,300	62,800	167.65*	34.20	+1.1	+2.7	+30.6
Hawaii ⁶	5,500	22,000	16,000	1,190,000	216.60	56.20	+2.7	+16.5	+11.7
Idaho	3,500	13,100	9,400	626,000	177.95	49.00	+7	+1.3	+7.8
Ill. ⁷	78,100	238,000	202,000	17,002,000	217.75	50.35	+2	+0.0	+14.4
Ind.	14,400	80,000	44,400	1,915,000	133.10	32.45	-1.8	-7	+10.7
Iowa	15,400	59,000	42,900	3,000,000	194.25	59.85	+7	+1.7	+12.1
Kans. ⁸	12,000	47,600	36,700	2,272,000	159.15	47.70	+1.5	+2.6	+15.4
Ky.	32,100	126,000	86,200	3,618,000	112.55	29.39	+4	+1.6	+11.9
La.	42,000	180,000	136,500	3,907,000	93.05	21.70	+1.2	-8.9	+15.2
Maine ⁹	8,300	29,700	22,000	923,000	114.20	31.45	+1.4	-2.1	+32.8
Md. ²	20,900	91,600	4,908,000	158.70	41.15	+1.2	+6.3	+8.9	+11.5
Minn. ³	80,300	184,000	135,000	11,560,000	230.10	62.95	+1.6	+1.6	+32.4

Mich. ³	54,900	220,000	166,000	11,263,000	205,05	51,20	+1.5	+9.5	+11.6	+26.7
Minn.	19,190	66,800	61,300	3,918,000	205,16	58,65	+1.0	+5.5	+8.2	+16.3
Miss.	27,190	108,000	86,200	1,137,000	41,90	10,55	+1.6	+5.2	+4.7	+30.0
Mo. ³	31,000	126,000	95,800	3,464,000	111,05	27,65	+1.6	+4.0	+8.4	+11.2
Mont.	3,200	11,700	8,900	437,000	128,55	37,45	+1.9	+1.8	+18.7	+19.8
Neb. ³	6,900	26,600	20,400	1,006,000	146,00	37,90	+1.1	+1.7	+9.8	+12.0
Nev.	3,000	9,900	7,600	319,000	106,90	22,20	+5.0	+4.4	+12.3	+19.7
N.H.	1,900	/	7,800	5,800	341,000	176,06	+1.8	+1.3	+24.8	+26.6
N.J.	86,200	225,000	167,000	14,565,000	286,25	64,65	+2.1	+1.6	+41.2	+56.6
N. Mex. ³	11,700	45,300	34,500	1,450,000	122,06	31,55	+1.1	+1.9	+9.0	+10.8
N.Y.J.	261,000	1,007,000	726,000	64,138,000	245,95	53,70	+1.1	-2.8	+18.2	+8.4
N.C.	28,400	113,000	85,200	3,235,000	117,25	29,55	-1.5	+1.9	+6.8	+17.8
N. Dak.	2,000	10,200	7,800	515,000	194,70	50,80	+1.0	+2.2	+4.0	+10.2
Ohio ³	82,100	248,000	185,000	9,585,000	158,70	39,80	+1.1	+1.4	+7.4	+13.7
Okla. ³	24,000	89,900	67,400	3,086,000	128,50	34,35	+1.1	+1.7	+1.6	+1.1
Oreg. ³	18,000	54,400	35,600	2,573,000	171,50	47,35	+4.6	+15.1	+43.6	+67.5
Pa.J.	94,190	382,000	278,000	20,138,000	213,95	62,70	+1.6	+2.9	+20.1	+66.0
P.R.	40,700	201,000	149,000	1,694,000	41,35	8,40	+1.8	+5.6	+14.9	+36.0
R.I. ³	9,400	35,600	25,900	1,725,000	194,40	48,40	+1.1	+1.9	+15.7	+18.8
S.C.	10,900	42,300	35,800	750,000	71,50	18,45	+1.2	+1.1	+37.6	+11.9
S. Dak.	4,100	14,900	11,200	680,000	167,75	45,50	+1.1	-1.0	+8.9	+11.9
Tenn.	26,500	112,000	86,600	3,005,000	101,95	26,70	-1.1	+1.8	+12.1	+14.7
Tex.	36,900	166,000	127,000	3,069,000	93,95	18,75	+1.3	+10.3	+18.3	+8.2
Utah ³	7,900	29,900	20,200	1,182,000	149,40	30,55	+1.5	+4.8	+12.6	+16.9
Vt. ³	3,100	11,300	8,200	554,000	189,80	52,45	+1.2	+3.6	+20.5	+34.3
V.I.	420	1,700	1,400	48,300	113,55	28,49	+1.4	+1.4	+7.3	+2.2
Va.	18,000	72,200	56,400	2,963,000	164,75	41,00	+1.6	+8.4	+19.2	+57.0
Wash. ³	23,500	82,300	68,300	4,648,000	198,00	56,50	+3.2	+20.9	+24.9	+45.1
W. Va. ³	19,600	84,500	59,000	2,295,000	116,90	27,15	+1.6	+5.0	-2.1	+3.7
Wyo.	21,900	82,600	62,100	4,625,000	212,20	50,15	+1.1	+1.2	+17.6	+27.6
Wyo.	1,200	4,500	3,400	109,000	139,20	38,00	+1.2	+1.3	+1.3	-1.4

¹ All data subject to revision. Data include nonmedical vendor payments other than a parent in families in which the requirements of such adults were considered in those for institutional services in intermediate care facilities.

² Includes all recipients the children and 1 or both parents or 1 caretaker relative other than a parent in families in which the requirements of such adults were considered in determining the amount of assistance.

³ Includes data for unemployed-parent segment; see table 8.

APPENDIX C

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
SOCIAL AND REHABILITATION SERVICE,
New York, N.Y., November 10, 1969.

Re Submittal No. S-33-69.

Mr. GEORGE K. WYMAN,

Commissioner, New York State Department of Social Services, 1450 Western Avenue, Albany, New York 12203.

DEAR MR. WYMAN: The schedules of monthly grants and allowances set forth in the above raise a question as to whether there is provision in the New York State plan for use of a statewide standard in determining need and payments with any variation in amounts for localities based on local differences in the cost of the items in the standard. (P.R. 20-7).

In this regard, we do not question that section 131-a(4) of the Social Services law would authorize a method of operation which is consistent with state-wideness requirements. However, there must be assurance that in implementing such provision, you will undertake to maintain the proper relationship to local costs and to exercise your power to promulgate revised schedules in any case in which you determine such revision is called for, i.e., that such action is not dependent on a request or application therefor by local authorities.

The regulations which you have promulgated establish four schedules of monthly grants and allowances

as opposed to the former three schedules. The additional schedule results from splitting districts which were previously included in one class; New York City is now treated separately from the Counties of Dutchess, Greene, Monroe, Nassau, Suffolk, Ulster and Westchester. Grants in the latter counties will now be approximately \$4.50 lower per person than in New York City. The fact that all these counties were previously classed together with New York City would itself constitute some evidence that you have previously found the cost of the items contained in the standard to be virtually the same in all these areas, and would therefore indicate the need for specific supporting data as to the basis for this particular differentiation.

In addition, analysis of the schedules as against the pre-added monthly allowances previously payable to families in which the oldest child was ten or eleven shows a much higher increase for New York City than for any other district. In this connection, it is noted that while the previous difference between SA-1 and SA-3 schedules for the highest and lowest cost districts amounted usually to between \$6 and \$8 in comparable family units, the difference now ranges from \$15 in a 2-person family to \$39 in a family of seven. Also, while the previous schedules provided a uniform figure of \$32 for additional persons, the new schedules provide \$43 in New York City and \$37 in every other district.

In your letter of June 2, 1969, you indicate that the differentiation between New York City and the rest of the State is based upon "its size and complexity, resulting in special requirements for transportation to use available services." It is difficult to understand how transportation costs could account for the differentiation in grant levels. Moreover, such differentia-

tion does not appear to be supported by the most recent information (Autumn 1968) from the Bureau of Labor Statistics on living costs within the State, e.g., such costs in Buffalo as compared to New York City.

In summary, the State standard must represent items of need to be made available to all recipients statewide. Differences in money amounts, if they exist, must result from demonstrable differences in the cost of these items in various sections of the State. Given the materials submitted to date, we are unable to find that there is in effect a statewide standard being uniformly applied throughout the State. We will, of course, give full consideration to any other information or comments which you may wish to submit.

We would appreciate as prompt a response as possible, whether in the form of a written reply or by way of a meeting with your staff.

Sincerely yours,

JAMES CALLISON,
Regional Commissioner.